DD/A Registry

11 AUG 1977

Executive = 2 dry 77-13/2/5

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MEMORANDUM FOR:	Acting Director of Central Intelligence
FROM:	Michael J. Malanick Acting Deputy Director for Administration
SUBJECT:	Relationships with Agency Contractors
REFERENCE:	Undated memo proposed for A-DDCI signature, same subject
Jack:  1. I have discussed the referent memo with the Director of Logistics who advises that both he and the Associate General Counsel, Office of Logistics (AGC/OL), have objections to paragraph 2.a. which requires OL and the Office of General Counsel (OGC) to respond to all contractor requests for comment on non-Agency, non-U.S. Government transactions. Both OL and OGC feel that the deputy director or office head concerned is in a better	
posed policy statement, only the Office of Technical Service and the DDO were in a position to state if the items were classified or being utilized currently in operations. In addition, the type of questions contemplated usually involves the use or transfer of technology for commercial purposes, and only the technical or operational component has the	

2. I believe the above makes common sense and, in fact, is the way such things are handled presently.

necessary understanding of the operational sensitivity or security implications. For those questions which raise the specter of improprieties, illegalities, or sinister use of an item, of course the Offices of Logistics and General Counsel are available for consultation. However, the contractor should be advised to consult his own attorney since any comment we might offer cannot be considered as binding on other agencies or departments of the U.S. Government.

Charles that still

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This memo may be downgraded to Confidential upon removal of attachment.

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Approved For Release 2006/09/21: CIA RD 10 M00165A000600010004-4

SUBJECT: Relationships with Agency Contractors (U)

However, I have instructed the Director of Logistics to prepare a policy statement for your signature reminding the directorates of their responsibilities in these types of matters and to incorporate it in an appropriate regulation issuance.

I see no objections to paragraph 2.b. of the referent. However, since it is proposed to establish the requirement for immediate notification by the COTR's of his supervisor and Contracting Officer (CO) of any verbal request he makes to a contractor to start work, I suggest we carry it one step further and limit such requests or authorizations to the CO. In this way we ensure the loop is closed, and the authorization is both proper and legal If you concur in this approach, I will direct the Director of Logistics to issue a Procurement Note to all CO's to amend all existing contracts to eliminate provisions which provide for anyone other than the contracting office to authorize work and that all contracts in the future will not include such provision.

Michael J. Malanick

Attachment: Reference

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